

A Resolution

NO. 3593-03-2008

A RESOLUTION FINDING THAT NEWPORT HOLDINGS, INC. HAS NOT PAID FOR THE COSTS OF CONSTRUCTING WATER, SEWER AND/OR DRAINAGE IMPROVEMENTS TO SERVE NEWPORT VILLAGE AT TRINITY

WHEREAS, on March 8, 2006, Newport Holdings, Inc. (the "Developer") executed a community facilities agreement in the form of an Informal Developer Agreement (the "Agreement") with the City of Fort Worth for construction of the water, sewer, and drainage improvements required to serve Newport Village; and

WHEREAS, as required by the Policy for the Installation of Community Facilities, the Developer provided a financial guarantee in the form of Development Bond No. 886336S issued by Developers Surety and Indemnity Co. (the "Surety") in the amount of \$355,550.00 to guarantee performance of and payment for the construction of the water, sewer and drainage improvements required by the Agreement (the "Bond"); and

WHEREAS, Developer contracted with Steed, Inc. (the "Contractor") to construct infrastructure required by the Agreement; and

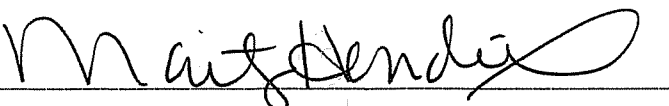
WHEREAS, the Contractor has signed a sworn affidavit providing that the Contractor is owed \$83,731.43 by the Developer for payment for costs of constructing improvements required by the Agreement and guaranteed by the Bond.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

That the Newport Holdings, Inc. has not paid for the costs of constructing water, sewer and/or drainage improvements to serve Newport Village and required by a community facilities agreement in the form of an Informal Developer Agreement executed by Newport Holdings, Inc. and guaranteed by Development Bond No. 886336S, issued by Developers Surety and Indemnity Co. Demand shall be made upon Developers Surety and Indemnity Co. under Development Bond No. 886336S to pay said costs of construction.

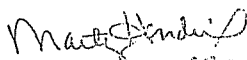
Adopted this 4th day of March 2008.

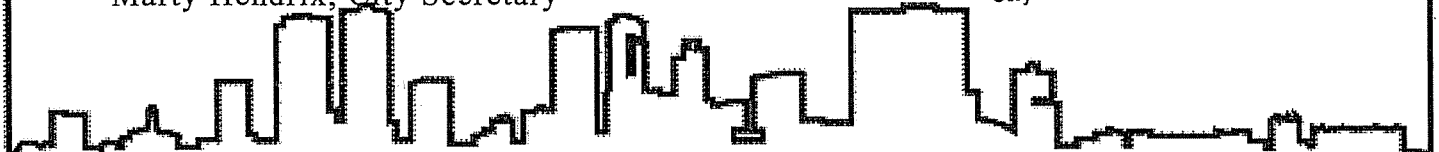
ATTEST:

By: 
Marty Hendrix, City Secretary

APPROVED
CITY COUNCIL

MAR 04 2008


City Secretary of the
City of Fort Worth, Texas



CITY OF FORT WORTH

City of Fort Worth, Texas
Mayor and Council Communication

COUNCIL ACTION: Approved on 3/4/2008 - Res. No. # 3593-03-2008

DATE: Tuesday, March 04, 2008

LOG NAME: 60NEWPORT

REFERENCE NO.: **G-16070

SUBJECT:

Adopt a Resolution Finding that Newport Holdings, Inc., has not Paid for the Costs of Constructing Water, Sewer and/or Drainage Improvements to Serve Newport Village at Trinity

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution finding that Newport Holdings, Inc., has not paid for the costs of constructing Water, Sewer and/or Drainage Improvements to serve Newport Village at Trinity in northeast Fort Worth.

DISCUSSION:

On March 8, 2006, Newport Holdings, Inc., (the "Developer") executed a community facilities agreement in the form of an Informal Developer Agreement (the "Agreement") with the City of Fort Worth for construction of the water, sewer, and drainage improvements required to serve Newport Village at Trinity.

As required by the Policy for the Installation of Community Facilities, the Developer provided a financial guarantee in the form of Development Bond No. 886336S issued by Developers Surety and Indemnity Co. (the "Surety") in the amount of \$355,550.00 to guarantee performance of and payment for the construction of the water, sewer and drainage improvements required by the Agreement (the "Bond"). Afterward, the plat was filed in accordance with City of Fort Worth policy.

The Developer contracted with Steed, Inc., (the "Contractor") to construct infrastructure required by the Agreement. To date, the Contractor is owed \$83,731.43 by the Developer for payment for costs of constructing improvements required by the Agreement and guaranteed by the Bond. For more than 20 months, the Contractor has been working through the Water Department to obtain payment from the Developer for construction services rendered.

Under the Bond, upon receipt of a resolution adopted by the City Council of the City of Fort Worth indicating that the costs of constructing the improvements have not been paid, the Surety shall pay the costs for construction of the improvements.

Upon adoption of the attached resolution, demand will be made on the Surety to collect \$83,731.43 to pay the Contractor.

This project is located in COUNCIL DISTRICT 2.

FISCAL INFORMATION/CERTIFICATION:

The Finance Director certifies that the action will have no material effect on City Funds.

TO Fund/Account/Centers**FROM Fund/Account/Centers**

Submitted for City Manager's Office by:

Fernando Costa (8476)

Originating Department Head:

S. Frank Crumb (8207)

Additional Information Contact:S. Frank Crumb (8207)
